THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) The Oil Marketing Companies (OMCs) have requested a review of the prices of sensitive products, *viz,* petrol, diesel, PDS kerosene and domestic LPG on account of unprecedented, sharp and spiraling increase in international oil prices. As India is highly dependent on oil imports, with about 76% of crude processed in Indian refineries being imported, international oil prices decisively impact on domestic crude prices and, therefore, on domestic retail products prices. Since April 2005, bench mark crude oil prices have touched unprecedented high levels, with the Indian Basket of crude oil touching an all time high of US $62.11/bbl on 12-8-2005.

The Government is continuously monitoring the price situation. The pricing mechanism attempts to balance the interests of various stakeholders, *viz* consumers, Government and oil companies.

Adulteration of petroleum products

†2898. SHRI DARA SINGH CHAUHAN: Will-the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that at those places where private sector petrol pumps have been opened, the consumers there have started showing less interest for the public sector petrol pumps like Indian Oil, Bharat Petroleum, Hindustan Petroleum and I.B.P.;

(b) whether adulteration and under-weighing done by petrol pumps of public sector and lack of consumer services there are main reasons for this disinterest shown by the people towards these petrol pumps;

(c) if so, the steps being taken by Government to prevent adulteration and under-weighing; and

(d) the number of petrol pumps which have been raided during the last three years to prevent adulteration and under weighing and the action taken in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The Government have granted the rights for marketing of transportation fuels to new companies in terms

†Original notice of the question was received in Hindi.

of the Government resolution on 08.03,2002 with a view to increasing competition thereby benefiting the consumers. These companies have started commissioning retail outlets and sales at these retail outlets are largely carved out of the sales of existing outlets of PSU Oil Marketing Companies (OMCs). While, as a result, the OMCs have lost a small portion of their market share, it cannot be construed that the same is on account of adulteration and under-weighing at their retail outlets. The steps taken by the OMCs to check adulteration and under-weighing include regular inspections of retail outlets, quality-control at Supply Points, Tamper-proof locking system of Tank Trucks, Automation of Tank Trucks/Retail Outlets, Inspections and Certification of Retail Outlets, etc.

(d) The number of inspections carried out by the OMCs during the last three years are as under:-

Year	No. of Inspections done
2002-03	93,320
2003-04	91,841
2004-05	1,04,488

Actions against the defaulting dealers is taken by the OMCs as per the Marketing Discipline Guidelines.

Merger of Small Oil Companies

2899. SHRIMATI N.P. DURGA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that V. Krishnamurthy Committee recommended for creation of three monolithic PSU entities to compete with international multinational companies;

(b) whether it is fact that originally it was to have only two super oil companies;

(c) whether the merger of small oil companies like IBP, Kochi Refinery would dilute the Government's holding in such companies, and

(d) in what manner Government are going to protect the employees rights and privileges in the new big companies?